GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:973
ANSWERED ON:29.04.2016
Fund raising by SBI
Vellaigounder Shri Elumalai

Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India (SBI) proposes to raise crores of rupees by public overseas issuance of shares;

(b) if so, the details thereof;

(c) whether the SBI has got shareholders approval in this regard;

(d) if so, the details thereof; and

(e) the extent to which this move is likely to help the bank to meet global risk norms, Basel-III?

Answer

The Minister of State in the Ministry of Finance

(a) & (b): State Bank of India (SBI) has been allowed by the Government to raise equity capital up to Rs.15000/- crores by way of FPO/Right Issue/ESPS/ESOS/QIP/ADR/ GDR/ any other mode or a combination of these.

(c) & (d): In this regard, shareholders' approval was obtained in the General Meeting of shareholders held on 26.02.2016.

(e) : The Capital Adequacy Ratio for SBI as on 31st December, 2015 is 12.45% as against the RBI prescription of 12.10% as on 31st March, 2019 as per Basel III transitional arrangement. However, the additional capital raised/ to be raised will help the Bank for meeting credit growth.
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